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8 UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
9 AT SEATTLE

10 PAULA TERRELL,

11 Plaintiff,

12 v.

13 STATE FARM MUTUAL  
14 INSURANCE COMPANY,

15 Defendant.

CASE NO. C19-255-MJP

ORDER GRANTING MOTION FOR  
REMAND

16 THIS MATTER comes before the Court on Plaintiff Motion for Remand. (Dkt. No. 6.)  
17 Having reviewed the Motion, the Response (Dkt. No. 9), the Reply (Dkt. No. 12) and the related  
18 record, the Court GRANTS the Motion.

19 This is an insurance coverage dispute involving Plaintiff Paula Terrell, the insured, and  
20 Defendant State Farm Mutual Insurance Company (“State Farm”). (See Dkt. No. 1, Ex. 1.) Ms.  
21 Terrell is a resident of Washington State. (Id. at ¶ 2.1.) State Farm is a foreign corporation. (Id.  
22 at ¶ 2.2; see also Dkt. No. 1.) Ms. Terrell alleges she was driving in Seattle, Washington, when  
23 she was struck by an uninsured motorist. (Dkt. No. 1, Ex. 1 at ¶¶ 3.1-3.4.) Ms. Terrell alleges  
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1 she suffered personal injuries requiring medical care and treatment, physical pain, mental  
2 anguish, disability, discomfort, loss of earnings and loss of enjoyment of life. (Id. at ¶ 3.6.)  
3 After State Farm denied coverage, Ms. Terrell filed suit in King County Superior Court seeking  
4 payment of underinsured motorist (“UIM”) benefits. (Id. at ¶¶ 5.1-5.4.)

5 On February 21, 2019, State Farm filed a Notice of Removal under 28 U.S.C. §§ 1441  
6 and 1446 based upon its “good-faith belief that the amount in controversy exceeds \$75,000  
7 exclusive of interests and costs.” (Dkt. No. 1 at 2.) Ms. Terrell now moves to remand. (Dkt.  
8 No. 6.)

9 Ms. Terrell contends that State Farm has failed to meet its burden of proving that the  
10 amount in controversy exceeds \$75,000. (Id.) In particular, Ms. Terrell contends that State  
11 Farm’s “good-faith belief” is insufficient, and that they must offer specific evidence that the  
12 jurisdictional threshold will be met before the case can be removed. (Id.) State Farm responds  
13 that: (1) it has already paid Ms. Terrell \$100,000 in personal injury protection (“PIP”) medical  
14 expenses under her policy; (2) Ms. Terrell’s policy limit is \$100,000 per person for UIM bodily  
15 injury; and (3) before filing suit, Ms. Terrell sent State Farm a demand letter seeking \$100,000 to  
16 resolve the claim. (Dkt. No. 9.) Accordingly, State Farm contends that “it is reasonable to  
17 conclude that the amount in controversy exceeds the minimum requirement of \$75,000.” (Id.)

18 “[I]n cases where a plaintiff’s state court complaint does not specify a particular amount  
19 of damages, the removing defendant bears the burden of establishing, by a preponderance of the  
20 evidence, that the amount in controversy exceeds [\$75,000].” Sanchez v. Monumental Life Ins.  
21 Co., 102 F.3d 398, 404 (9th Cir. 1996). “Under this burden, the defendant must provide  
22 evidence establishing that it is ‘more likely than not’ that the amount in controversy exceeds that  
23 amount.” Id. (citations omitted). The Court finds that State Farm has not done so.

1 In particular, the Court finds that State Farm’s reliance on Cohn v. Petsmart, Inc., 281  
2 F.3d 837 (9th Cir. 2002) is misplaced. There, the plaintiff sent a pre-suit demand letter offering  
3 to settle the dispute, in which he asserted that “the [claim] is worth more than \$100,000 to him”  
4 and demanded that amount in compensation. Id. at 839-840. The Ninth Circuit concluded that  
5 the settlement letter was relevant evidence of the amount in controversy because it “appear[ed] to  
6 reflect a reasonable estimate of the plaintiff’s claim” and the plaintiff “made no attempt to  
7 disavow his letter or offer contrary evidence,” but instead “consistently maintained that his  
8 [claim] is worth more than \$100,000.” Id. at 840. Here, Ms. Terrell’s settlement letter was sent  
9 over one year ago and stated only that she was “formally making a demand for the policy limits  
10 in this matter.” (Dkt. No. 10, Ex. C.) The settlement letter did not place a specific value on the  
11 claim, and Ms. Terrell has indicated her intent to disavow the demand. (See Dkt. No. 12 at 2-3  
12 (explaining that “[t]he demand was part of a broader letter about State Farm’s failure to  
13 investigate or communicate and was, on its face, written to provide a quick resolution to the  
14 claims adjustment process.”); Dkt. No. 13 at 2-3 (explaining that “[t]hat demand made no  
15 estimate of plaintiff’s claim” and “State Farm’s failure to respond in a reasonable time let the  
16 offer lapse . . .”).) Nor does the Court find the fact that State Farm has already paid Ms. Terrell  
17 \$100,000 in PIP benefits relevant to the value of her claim for UIM benefits. The PIP benefits  
18 have already been paid and are not in controversy.

19 Therefore, the Court GRANTS Plaintiff’s Motion for Remand. The Court DENIES Ms.  
20 Terrell’s request for attorney fees. While State Farm failed to establish the amount in  
21 controversy by a preponderance of the evidence, its arguments for removal were not so  
22 objectively unreasonable as to warrant fees under 28 U.S.C. 1447(c), nor does the Court find that  
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1 it sought to remove the case “for the purpose of prolonging litigation and imposing costs on the  
2 opposing party.” Martin v. Franklin Capital Corp., 546 U.S. 132, 140 (2005).

3 This case is hereby remanded to King County Superior Court, Case No. 19-2-01543-8  
4 SEA. All hearings and other deadlines are stricken and the clerk is directed to close this case.

5 The clerk is ordered to provide copies of this order to all counsel and to the King County  
6 Superior Court.

7 Dated March 26, 2019.

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10 Marsha J. Pechman  
United States District Judge